In the Supreme Court of the United States

OCTOBER TERM, 1967

No. 814

PHILLIPS PETROLEUM COMPANY, PETITIONER

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS

and

PHILLIPS PETROLEUM COMPANY, PETITIONER

v.

GOODRICH-GULF CHEMICALS, INC., and
MONSANTO COMPANY

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

MEMORANDUM FOR THE RESPONDENT EDWARD J. BRENNER, COMMISSIONER OF PATENTS, IN OPPOSITION

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1. The petitioner and respondents Goodrich-Gulf Chemicals, Inc. ("Goodrich-Gulf") and Monsanto

Company ("Monsanto") are the assignees of inventors who filed separate applications with the United States Patent Office for a patent on a process for producing polybutadiene polymers, used as a synthetic rubber.[1] The three applications were placed in interference by the Patent Office in July 1964.[2] Since petitioner swore to a date of conception subsequent to the filing dates of the other inventors, the Patent Office Interference Examiner, in October 1964, issued an order to show cause why judgment should not be entered against petitioner. In response, petitioner moved to dissolve the interference on the ground that the apparently senior applicants had no right to make their claim because of lack of adequate disclosure of the invention in their applications. Although this motion was initially denied by the Patent Office Primary Examiner, to whom it had been referred, the Patent Office Interference Examiner subsequently granted petitioner's request that the motion be set for final consideration and disposition at the final hearing of the interference (Pet. App. 2a).

Goodrich-Gulf and Monsanto, who continued to dispute between themselves as to which had priority, took depositions without notice to petitioner and adduced other evidence on that separate issue (Pet. App. 2a-3a). Thereafter, petitioner moved that the record

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[1] For convenience, no distinction will be made in this memorandum between the assignors and their respective assignees.

[2] 35 U.S.C. 135 authorizes the Commissioner of Patents to institute an administrative adversary proceeding, called an "interference," in which the question of priority between rival claimants is determined by a Board of Patent Interferences.

made by Goodrich-Gulf and Monsanto be stricken or not received by the Interference Examiner, and to stay interference proceedings pending the determination of the motion (Pet. App. 13a). Goodrich-Gulf and Monsanto cross-moved to restrict petitioner from inspecting the priority testimony in the interference, and for an order excluding petitioner from that portion of the final interference proceeding dealing solely with the issue of priority between Goodrich-Gulf and Monsanto (*ibid.*). On March 18, 1966, the Board of Patent Interferences denied petitioner's motions and granted the motions of Goodrich-Gulf and Monsanto (Pet. App. 12a-16a). The Board reasoned that since petitioner had failed to allege a date of invention earlier than the date of filing of the Goodrich-Gulf and Monsanto applications, petitioner was "in the position of [a] stranger" to the priority contest between the latter (Pet. App. 14a-15a).[3] The Board rejected petitioner's contention that the testimony adduced by Goodrich-Gulf and Monsanto might be relevant in determining the sole question remaining with respect to petitioner's application—*viz.*, whether the senior applicants had no right to make their claim because of the lack of adequate disclosure of the invention in their applications—stating that "it is long

[3] For this reason, the Board held inapplicable to the instant case Rule 273 of the Patent Office Rules (Pet. App. 25a-26a), which provides that due notice of taking testimony in an interference must be given "to the opposing party or parties." The Board relied, in part, upon Patent Office Rule 227(b) (Pet. App. 23a), which provides that a junior party shall not have access to the preliminary statement of a senior party.

established that testimony concerning the right of a party to make * * * [his claim] will not normally be considered" (Pet. App. 15a).[4]

On April 19, 1966, the First Assistant Commissioner, acting on behalf of the Commissioner of Patents, denied petitioner's petition to review the Board's decision of March 18, 1966 (Pet. App. 17a-18a).[5] Thereafter, on May 13, 1966, the First Assistant Commissioner, acting on behalf of the Commissioner of Patents, denied petitioner's request for reconsideration of the Commissioner's decision of April 19, 1966 (Pet. App. 19a).

Petitioner then instituted an action in the United States District Court for the District of Columbia, purportedly under Section 10 of the Administrative Procedure Act, 5 U.S.C. 1009, and Fed. R. Civ. Proc. 81(b), for declaratory and injunctive relief against the Commissioner of Patents. By this suit, and a companion action brought in the same court against Goodrich-Gulf and Monsanto, petitioner sought to obtain an order permitting it (1) to cross-examine witnesses, to introduce rebuttal evidence, and to have access to all records at the interference, and (2) to attend and take part fully in all aspects of the final

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[4] The Board also stated that if any testimony did relate in part to this issue, it would not be considered at the final hearing (Pet. App. 15a).

[5] The Commissioner stated, *inter alia*, that petitioner "did not request leave to take testimony as to the right of the opposing parties to make the * * * [claims] and the possibility that the testimony taken by those parties might have some bearing on that issue is not thought to justify the relief requested by the petition." (Pet. App. 18a)

hearing in the interference. The district court dismissed the complaint in both actions on the ground that the Patent Office orders sought to be reviewed were interlocutory (Pet. App. 8a-11a).[6] The court of appeals affirmed on the same ground—*viz.*, that the case was premature for judicial review since there was no final agency action of the Patent Office (Pet. App. 1a-7a).[7]

2. This decision, we believe, is clearly correct. As the court of appeals stated, "[t]he prematurity of the present action plainly appears from consideration of the successive possibilities that may lie ahead" (Pet. App. 6a). Petitioner may still prevail in the Patent Office on its motion to dissolve the interference on the ground that the other two applications do not adequately set forth the invention. If petitioner should lose before the Patent Office, the final decision of the Patent Office awarding priority to another party would be reviewable by the United States Court of Customs and Patent Appeals (35 U.S.C. 141), or by a civil action in the United States District Court (35 U.S.C. 145).

Contrary to petitioner's assertion (Pet. 11-12), judicial review of final Patent Office action would afford petitioner a complete and adequate remedy at law. If the Court of Customs and Patent Appeals or the Unit-

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[6] The district court's opinion is reported at 260 F. Supp. 45.

[7] Both the district court and the court of appeals expressly stated that they were not passing upon the propriety of the Patent Office procedure in the instant case (Pet. App. 7a, 11a).

ed States District Court should agree with petitioner's contention that the Patent Office procedure is improper, either Court may set aside the allowance of priority.[8] The authority of the Court of Customs and Patent Appeals to remand the case for further proceedings in the Patent Office is clear.[9] While there is doubt whether the district court may similarly order a remand as such,[10] the court of appeals observed that the district court can "provide equivalent relief by staying its proceeding pending further proceedings in the Patent Office" (Pet. App. 6a).[11] In any event, whatever specific procedure is utilized, there is no doubt, as the court below held, that "courts reviewing arbitrary Patent Office final action will generally

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[8] Although petitioner emphasizes (Pet. 11) the presumption of correctness of the Patent Office determination (*Morgan* v. *Daniels*, 153 U.S. 120), this presumption would be effectively rebutted on a showing of prejudicial error.

Ochsner v. *Millis*, 382 F. 2d 618 (C.A. 6), cited by petitioner (Pet. 12), did not involve any question of the right of a party to obtain judicial review of the non-final action of an administrative agency.

[9] See, *e.g.*, *Vandenberg* v. *Reynolds*, 44 CCPA 873, 242 F. 2d 761.

[10] 35 U.S.C. 141 provides that the adverse party in the Court of Customs and Patent Appeals may elect to have further proceedings conducted pursuant to 35 U.S.C. 146—*i.e.*, by civil action in the District Court.

[11] See *Hoover Co.* v. *Coe*, 325 U.S. 79, 89. See, also, *International Standard Elec. Corp.* v. *Ooms*, 157 F. 2d 73, 75 (C.A.D.C.); *California Research Corp.* v. *Ladd*, 356 F. 2d 813, 818-819 (C.A.D.C.). *Cf. Knutson* v. *Gallsworthy*, 164 F. 2d 497, 507 (C.A.D.C.).

be able to fashion remedies they deem needful to correct injustices" (Pet. App. 7a).[12]

For the foregoing reasons the petition for a writ of certiorari should be denied.[13]

Respectfully submitted,

ERWIN N. GRISWOLD,
Solicitor General.

DECEMBER 1967.

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[12] See *Hoover Co.* v. *Coe*, *supra*, 325 U.S. at 84, where this Court described the two statutory review provisions as "alternative remedies resulting in the same sort of relief."

[13] While petitioner's failure to obtain a final agency decision is dispositive, we also note the lack of merit in petitioner's claim of prejudicial error in the Patent Office procedure. Since petitioner's claim relates solely to what appeared on the face of the other two applications, the Board of Patent Interferences correctly ruled (*supra*, p. 3), that petitioner was a stranger to the priority contest between Goodrich-Gulf and Monsanto, and therefore was properly excluded from the portion of the interference relating solely to the priority issue. Moreover, as the First Assistant Commissioner stated (*supra*, n. 5), petitioner did not make a properly supported motion to take the testimony of the other parties on the only issue in which petitioner had an interest (the adequacy of the disclosure in their applications).

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